

Details Impact on Hudson Valley Families

Kingston, NY - Just hours before returning to Washington to fight against a job crushing budget scheme that does nothing to reduce the deficit, Congressman Maurice Hinchey (D-NY) detailed how the Republican plan, set to be voted on later this week, would hurt Hudson Valley families by slashing vital services and endangering our economy. The Congressman also detailed an alternative that pairs targeted deficit cuts with job creating investments.

"On Valentine's Day, the Republican majority in Washington is showing no love for Hudson Valley families while showering corporate special interests with tax earmarks and giveaways," said Hinchey. "This budget scheme is like giving a box of chocolates to Wall Street bankers and oil company CEOs, while delivering a dozen black roses to America's middle class. Instead of cutting special corporate tax earmarks that would actually reduce the deficit, they are actually slashing vital services for Hudson Valley families and eliminating job-creating investments that America needs to compete against China and India. It's no wonder that the difference between the rich and everyone else keeps growing."

Among the local impacts, Hinchey drew attention to a \$600 million cut to the COPS program, which would take 1,330 police officers off the streets, and cuts to the SAFER grant program that would lead to the elimination of 2,400 firefighter positions. The Congressman also noted that an \$800 million cut in funding for the WIC program, which helps provide pre-natal care to low-income women, would hurt young mothers throughout the region. A \$400 million cut to the LIHEAP program that helps elderly people and working families afford heating oil throughout the cold winter is also in the bill released by Washington Republicans last week

"We need to scour the budget for waste, fraud and abuse, and eliminate needless bureaucracy, but this does exactly the opposite," said Hinchey. "Cutting jobs for police officers, food aid for infants, and heat assistance for the elderly is the wrong way to reduce the deficit. We don't need more hidden cuts and budget gimmicks - we need a plan."

Hinchey put forward an alternative vision that pairs targeted deficit cuts with investments in economic recovery and job creation efforts needed to reduce the long-term deficit. His plan would reduce the deficit by eliminating special corporate tax earmarks, reducing bureaucratic boondoggles and cutting wasteful spending.

Hinchey highlighted ten deficit cuts:

1. Reduce cold war era military deployments in Europe - \$80 billion in ten years
2. Eliminate special Big Oil tax earmarks from the tax code - \$40 billion in five years
3. Close tax loopholes that incentivize job exports - \$34 billion in five years
4. Erase the corporate compensation tax earmark - \$17 billion in five years
5. Eliminate Medicare red tape that prevents the government from negotiating lower prescription drug prices - \$14 billion in five years
6. End special tax earmark for private equity fund and hedge fund managers - \$10 to \$20 billion in five years
7. End failed 1980s missile defense programs - \$1.3 billion over five years
8. Sell excess federal real estate - \$1 billion in five years
9. Cut funding for military coins - \$18 million annually
10. Cut funding for Radio/TV Marti - \$17 million annually

"The difference between our plans is that mine cuts the deficit and theirs cuts jobs," said Hinchey. "If the choice is between ending tax earmarks for oil companies and investing in high speed rail and renewable energy, I choose jobs. We should not be cutting the solar panel manufacturers that will build our renewable energy future and construction workers that will build the interstate high speed rail systems that Japan and Germany built three decades ago."

Estimates show that with the elimination of \$2.5 billion for high-speed rail projects, 76 projects already underway in 40 states would be terminated and 25,000 new construction jobs will be lost. A \$1.4 billion cut to science and energy research would also harm the nation's ability to innovate. Cuts to education would end Head Start for 200,000 children and reduce the maximum Pell Grant award by \$800, making it harder for students to afford college.

A senior member of the House Appropriations Committee, Hinchey opposed extending the Bush tax cuts for the wealthiest Americans, which increased the long term national debt by \$800 billion and raised taxes on those making less than \$20,000 a year. With multi-billionaires like Warren Buffett now paying less of their income in taxes than their secretaries, Hinchey believes that tax reform will play an important role in addressing our long-term budget crisis.

